

**THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ**

**CA (CAA) No. 32/ALD/2023
(First Motion)**

*Under Section 230 to 232 and
other Applicable Provisions of
the Companies Act, 2013 read
with Companies (Compromises,
Arrangements &
Amalgamations) Rules, 2016*

IN THE MATTER OF SCHEME OF AMALGAMATION OF:

R.G.I. Meditech Private Limited

having its registered office at
J-31, Sector-63, Gautam Buddha Nagar,
Noida, Uttar Pradesh- 201301
CIN: U24232UP2006PTC032097

...Transferor Company/Applicant Company No. 1

With

Romsons Group Private Limited

having its registered office at
63, Industrial Estate Nunhai,
Agra, Uttar Pradesh- 282006
CIN: U24236UP1977PTC004511

...Transferee Company/Applicant Company No.2

Order delivered on: 18th April,2024

Coram: Hon'ble Praveen Gupta, Member (J)

Hon'ble Ashish Verma, Member (T)

Present:

For the Applicant : Mr. Virender Ganda, Senior
Companies Advocate assisted by Mr. Vishal
Ganda, Advocate, Ms. Devina
Bhandari, Advocate, Mr. Anshit
Aggarwal, Advocate, Ms. Pinki
Sharma, PCS.

ORDER

1. This is the first motion joint Application filed by the Applicant Companies namely **R.G.I. Meditech Private Limited** (Transferor Company/Applicant Company No. 1) and **Romsons Group Private Limited** (Transferee Company/Applicant Company No. 2) under Sections 230 & 232 of the Companies Act, 2013 (the Act), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions, if any, in relation to the Scheme of Amalgamation of R.G.I. Meditech Private Limited with Romsons Group Private Limited (Scheme). The said Scheme is attached as **Annexure-A-1** of the Application.

2. The Applicant Companies have prayed for dispensation of the requirement of the convening meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of both the Applicant Companies.

3. The Transferor Company/Applicant Company No. 1 is mainly engaged in the business of manufacturing and dealing in disposable medical products, hypodermic needles, pipes and tubes and all other items of plastic, rubber, glass, metal

or any other material or substance required by hospitals, laboratories, schools and colleges, doctors and patients and other persons having dealings with the company. The main objects of the Transferor Company are set out in its Memorandum of Association which is set out at **Annexure-A5** of the Application.

4. The Transferee Company/Applicant Company No. 2 is engaged in the business as makers of and dealers in and providers of hypodermic needles, pipes, tubes and all other items of plastic, rubber, glass, metal or any other material or substance required by hospitals, laboratories, school and colleges, doctors and patients and other persons having dealings with the company and to buy, sell, manufacture, import, export, acquire or deal in scientific and surgical instruments and other goods, products and items made of plastics and of other material and substance. The main objects of the Transferee Company are set out in its Memorandum of Association set out at **Annexure-A15 (Colly.)** of the Application.

5. The Applicant Companies have their respective registered offices in the State of Uttar Pradesh and hence are under the jurisdiction of the Hon'ble National Company Law

Tribunal, Allahabad Bench, Prayagraj. Accordingly, the Transferor Company and the Transferee Company are joint Applicants in the present Application.

6. The rationale for the Scheme of the Transferor Company/Applicant Company No. 1 with the Transferee Company/Applicant Company No.2 is to consolidate the Transferor Company with the Transferee Company. The amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme would have, inter alia, the following benefits:

- a.** The amalgamation will result in simplification and streamlining of shareholding structure of group entities under common control.
- b.** The amalgamation will enable consolidation of the business and operations of the Transferor Company into the Transferee Company, provide significant impetus to growth, achieve overall synergies.
- c.** The amalgamation will result in reduction of the companies in the group leading to reduction in compliance requirements, overheads, cash management, administrative, managerial, and other expenditure and

optimal utilization of various resources due to consolidation of activities.

- d.** The amalgamation will facilitate greater efficiency in cash management of the Transferee Company and access to cash flow generated by the combined business.
- e.** The amalgamation shall be beneficial and in interests of the shareholders and creditors of the Transferor Company and the Transferee Company and all concerned.

7. It is stated that the Board of Directors of the Applicant Companies in their respective meetings held on 23rd September 2023, have considered and unanimously approved the proposed Scheme subject to sanctioning of the same by this Tribunal. The copy of the board resolution of the Transferor Company is annexed with the Application as **Annexure: A7 (Colly)** at pg. no. 215 to 218 and the copy of the board resolution of the Transferee Company is at pg. no. 94 to 97 of the Application.

8. The appointed date of the Scheme is 01st April 2023, as mentioned in Para 1.6 of Scheme which is annexed as **Annexure-A-1** with the application.

9. It is stated that both the Applicant Companies have prepared their Audited Financial Statements as on 31st March 2023, 31st March 2022, and 31st March 2021 and the provisional financial statement as on 31st August 2023, and the same are annexed as **Annexure: A-6 (Colly) and Annexure: A- 16 (Colly)** with the Application.

10. It is submitted that in terms of the provisions of Section 230(7) and Section 232(3) of the Act, the Applicant Companies have filed Certificates dated 08.11.2023 and 09.11.2023, respectively issued by their Statutory Auditors, certifying that the Scheme is in compliance with the Accounting Standards prescribed under Section 133 of the Act and the same are annexed as **Annexure: A-8 and Annexure: A-25** with Application, respectively.

11. It is further submitted by the Counsel for the Applicant Companies that the Valuation Report/Share Exchange Ratio Report dated 20th August 2023, submitted by Mr. Naveen Singhal, Registered Valuer with the Insolvency and Bankruptcy Board of India (Registration No. IBBI/RV/06/2019/10662) is attached as **Annexure-2** of the Application. As per the said Report, the Transferee Company/Applicant Company No. 2 shall in consideration of

transfer and vesting of the assets and liabilities of the Transferor Company in the Transferee Company, the Transferee Company without any further application or deed shall issue “2.0603 equity shares of face value INR 10/- (Rupees Ten Only) each credited as fully paid- up in the Transferee Company shall be issued by the Transferee Company for every equity share of face value INR 10/- (Rupees Ten Only) each held in the Transferor Company as on the Record Date.”

12. It is submitted that the Scheme (**Annexure: A-1** of the Application) also takes care of the interests of the workmen and staff (employees) of the Companies, by virtue of Clause 18 of the Scheme.

13. The submission of the Ld. Senior counsel representing the Applicant Companies was noted *vide* order dated 19th January, 2024 wherein he sought two weeks time to place on record the authorization letter/ resolution passed by the concerned bank, whereby the officials of the respective banks furnished the affidavits giving their consent in favour of the scheme.

14. Consequently on 15.02.2024, Ld. Sr. Counsel representing the Applicant Companies stated that an affidavit

has been filed placing on record the authorization given by the two financial institutions namely Canara Bank and HDFC Bank with respect to the Transferee Company. The affidavit also comprised of a list of the secured financial creditors and unsecured creditors of the Transferee Company, which were stated to have given their consents to the Scheme. The affidavit had been filed vide diary no.444 dated 14.02.2024 and another affidavit had also been filed vide diary no.443 dated 14.02.2024 with respect to the secured financial creditor as well as the unsecured creditors of the Transferor Company. The said affidavits were taken on record.

15. On 21.02.2024, following submissions were made by the Ld. Sr. Counsel representing Applicant Companies:

“After arguing for some time, the Ld. Sr. Counsel fairly states that with respect to the unsecured creditor of the Transferor Company as per the list given at Page No.29 of the affidavit filed vide Diary No.443 dated 14th February, 2024 at Sr. No.12 & 27, the affidavits by the consenting creditor/deponent is not attested by a notary. He seeks and is granted 10 days time for placing on record consents duly notarized.”

16. On 11th March 2024, following submissions were made by the Ld. Sr. Counsel representing Applicant Companies :

“In compliance of the previous order dated 21st February, 2024 now the two affidavits have been filed duly notarized with respect to the two separate dates mentioned at Serial nos. 12 and 27 of the affidavit filed vide Diary no. 443 dated 14 February, 2024. The affidavit duly notarized has now been filed vide Diary no.619 dated 11th March, 2024, the same is taken on record.

It is also further stated by Ld. Sr. Counsel representing the applicant companies that there are no sectoral regulator, and affidavit to that effect would be filed in the second motion petition.”

17. It is deposed by the Authorized Signatories of the Applicant Companies by way of additional affidavits that there is no pending investigations or proceedings under section 210 of the Act and the Scheme being filed herein is not a corporate debt restructuring scheme. The aforesaid affidavits by the authorized signatories of the respective companies are e-filed dated 11th January 2024 *vide* Diary No. 0902109012542023/2. Additionally, hard copies of the aforesaid affidavits were filed on 17th January 2024 *vide* hard copy Diary No. 163.

18. The Applicant Companies have furnished the details of the Equity Shareholders, Secured Creditors and Unsecured Creditors as follows:

Company	No. of Equity Shareholders	Consent Given	No. of Secured Creditors	Consent Given	No. of Un-secured Creditors	Consent Given
Transferor Company	13 (Thirteen)	Consents received from all equity shareholders constituting 100% of the paid share capital.	01 (One)	Consents received from all secured creditor constituting 100% in value and 100% in number	113 (One Hundred and Thirteen)	Consents received from 30 (Thirty) unsecured creditors constituting 90.14% in value of total unsecured debt outstanding.
Transferee Company	18 (Eighteen)	Consents received from 17 equity shareholders constituting 99.84% of the paid-up share capital and 94% in number of shareholders.	02 (Two)	Consents received from all secured creditor constituting 100% in value and 100% in number	1,609 (One Thousand Six Hundred and Nine)	Consents received from 66 (Sixty-Six) unsecured creditors constituting 91.71% in value of total unsecured debt outstanding.

19. The Applicants have prayed for dispensation of the requirement of convening meetings of the Equity Shareholders, Secured Creditors and Un-secured Creditors of the Transferor Company and the Transferee Company for the purpose of considering and approving the Scheme of Amalgamation.

20. We carefully perused the documents filed by the Applicants and considered the averments made in support of the dispensation of meetings.

21. Accordingly, the directions of this Bench in the present case are as under:

I. In relation to the Transferor Company/Applicant

Company No. 1:

- a.** The meeting of the Equity Shareholders of Applicant Company No. 1/Transferor Company is dispensed herewith, keeping in view that all Equity Shareholders have given their consents by way of affidavits.
- b.** The meeting of the Secured Creditors of Applicant Company No. 1/Transferor Company is dispensed herewith, keeping in view that all the secured creditors constituting 100% in value of total outstanding debt and 100% in number have given their consents by way of affidavits.
- c.** That the 30 (Thirty) Un-secured Creditors constituting 90.14% in value of total debt outstanding have given their consents by way of affidavits. Therefore, the meeting of Un-secured Creditors of Transferor Company/Applicant Company No. 1 is dispensed with

in view of compliance with Section 230(9) of the Companies Act, 2013.

II. In relation to the Transferee Company/Applicant Company No. 2

- a.** That 17 out of 18 equity shareholders constituting 99.84% of the total paid-up share capital of the Transferee Company/Applicant Company No. 2 have given their consents by way of affidavits. Therefore, the meeting of Equity Shareholders of Transferee Company/Applicant Company No. 2 is dispensed herewith.
- b.** The meeting of the Secured Creditors of Transferee Company/Applicant Company No. 2 is dispensed herewith, keeping in view that all the secured creditors constituting 100% in value of total outstanding debt and 100% in number have given their consents by way of affidavits.
- c.** That the 66 (Sixty-Six) Un-secured Creditors constituting 91.71% in value of total debt outstanding have given their consents by way of affidavits. Therefore, the meeting of Un-secured Creditors of Transferee Company/Applicant Company No. 2 is

dispensed with in view of compliance with Section 230(9) of the Companies Act, 2013.

22. In view of the above, the First Motion Application stands allowed by giving liberty to the Applicant Companies to file Second Motion Petition with a direction that the Applicant Companies shall make specific prayer for sending notices to the (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; (b) the Registrar of Companies, Uttar Pradesh, Kanpur; (c) the Official Liquidator, Uttar Pradesh, Prayagraj; and (d) the Income Tax Department by disclosing the PAN numbers of both the Applicant Companies in the title of the Second Motion Petition.

23. The Second motion petition would also comprise of an affidavit to the effect that there are no sectoral regulators apart from the aforesaid authorities.

24. The Company Petition for confirmation of the Scheme is to be filed within the time period prescribed under the provisions of the Act and corresponding rules made thereunder.

25. That appropriate prayer would also be made in the second motion petition for publication in newspaper.

26. With the aforesaid directions, the First Motion Application bearing CA (CAA)No.32/ALD/2023 is disposed of accordingly.

27. Certified copy of this order, if applied or, be supplied to the parties, subject to compliance with all requisite formalities.

-Sd-

**(Ashish Verma)
Member (Technical)**

-Sd-

**(Praveen Gupta)
Member (Judicial)**

Dated- 18th April, 2024